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State of Minnesota  
HOUSE OF REPRESENTATIVES

EIGHTY-FIFTH  
SESSION

HOUSE FILE No. **2041**

March 13, 2007

Authored by Huntley

The bill was read for the first time and referred to the Committee on Finance

1.1 A bill for an act  
1.2 relating to human services; increasing payment rates for nursing facilities in the  
1.3 city of Duluth to the seven-county metropolitan area median rate; amending  
1.4 Minnesota Statutes 2006, section 256B.434, by adding a subdivision.

1.5 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF MINNESOTA:

1.6 Section 1. Minnesota Statutes 2006, section 256B.434, is amended by adding a  
1.7 subdivision to read:

1.8 Subd. 4i. **Rate increase for nursing facilities; city of Duluth.** Effective October 1,  
1.9 2007, operating payment rates of nursing facilities in the city of Duluth that are reimbursed  
1.10 under this section or section 256B.441, must be increased to be equal, for a RUG's rate  
1.11 with a weight of 1.00, to the median rate of facilities in the seven-county metropolitan area  
1.12 for the same RUG's weight. The percentage of the operating payment rate for each facility  
1.13 to be case-mix adjusted must be equal to the percentage that is case-mix adjusted in that  
1.14 facility's September 30, 2007, operating payment rate. This subdivision applies only if it  
1.15 results in a rate increase. Increases provided by this subdivision must be added to the rate  
1.16 determined under any new reimbursement system established under section 256B.441.